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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-898]

Chlorinated Isocyanurates from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2011-2012

AGENCY: Import Administration, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on chlorinated isocyanurates (chlorinated isos) from the People's Republic of China (PRC). The period of review (POR) is June 1, 2011, through May 31, 2012. This administrative review covers six producers/exporters of the subject merchandise: 1) Arch Chemicals (China) Co. Ltd. (Arch China); 2) Hebei Jiheng Chemical Co., Ltd. and Hebei Jiheng Baikang Chemical Industry Co., Ltd. (collectively, Jiheng); 3) Heze Huayi Chemical Co. Ltd. (Heze); 4) Juancheng Kangtai Chemical Co., Ltd. and Juancheng Ouya Chemical Co., Ltd. (collectively, Kangtai); 5) Sinoacarbon International Trading Co., Ltd. (Sinoacarbon); and 6) Zhucheng Taisheng Chemical Co., Ltd. (Zhucheng). Jiheng and Kangtai are the two producers/exporters being individually examined as mandatory respondents. We preliminarily determine that Jiheng and Kangtai made sales in the United States at prices below normal value (NV). We preliminarily determine that Arch China, Sinoacarbon and Zhucheng have demonstrated that they are eligible for a separate rate. The Department is also preliminarily determining that Heze made no shipments during the POR.

EFFECTIVE DATE: [Insert date of publication in the Federal Register.]

FOR FURTHER INFORMATION CONTACT: Emily Halle, AD/CVD Operations, Office 6, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0176. SUPPLEMENTARY INFORMATION:

Scope of the Order

The products covered by the order are chlorinated isos, which are derivatives of cyanuric acid, described as chlorinated s-triazine triones. Chlorinated isos are currently classifiable under subheadings 2933.69.6015, 2933.69.6021, 2933.69.6050, 3808.40.50, 3808.50.40 and 3808.94.5000 of the Harmonized Tariff Schedule of the United States (HTSUS). The HTSUS subheadings are provided for convenience and customs purposes only; the written product description of the scope of the order is dispositive.

Preliminary Determination of No Shipments

Heze timely filed a "no shipment" certification stating that it had no entries of subject merchandise during the POR.² The Department subsequently confirmed with U.S. Customs and Border Protection (CBP) the "no shipment" claim made by Heze. Based on the certifications by Heze and our analysis of CBP information, we preliminarily determine that Heze did not have any reviewable transactions during the POR. In addition, the Department finds that consistent with its recently announced refinement to its assessment practice in non-market economy (NME) cases, further discussed below, it is appropriate not to rescind the review in part in these

¹ For a complete description of the Scope of the Order, <u>see</u> Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Import Administration, "Decision Memorandum for the Preliminary Results of the 2011-2012 Antidumping Duty Administrative Review: Chlorinated Isocyanurates from the People's Republic of China," dated concurrently with this notice (Preliminary Decision Memorandum).

² <u>See</u> Letter from Heze, "Chlorinated Isocyanurates from the People's Republic of China: No Sales Certification," September 18, 2012.

circumstances but, rather, to complete the review with respect to Heze and issue appropriate instructions to CBP based on the final results of the review.³

Methodology

The Department has conducted this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). Export prices have been calculated in accordance with section 772 of the Act. Because the PRC is an NME country within the meaning of section 771(18) of the Act, NV has been calculated in accordance with section 773(c) of the Act. Specifically, the respondents' factors of production have been valued in the Philippines, which is economically comparable to the PRC and is a significant producer of comparable merchandise.

For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum, which is hereby adopted by this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Import Administration's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at http://iaaccess.trade.gov and in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the internet at http://www.trade.gov/ia/. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Preliminary Results of Review

The Department preliminarily determines that the following weighted-average dumping margins exist:

³ <u>See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties</u>, 76 FR 65694 (October 24, 2011) (<u>NME Proceedings</u>); <u>see also</u> "Assessment Rates" section below.

Exporter	Weight-Average Dumping Margin Percentage
Arch Chemicals (China) Co. Ltd.*	51.12
Hebei Jiheng Chemical Co., Ltd.	68.49
Juancheng Kangtai Chemical Co., Ltd.	33.75
Sinoacarbon International Trading Co., Ltd.*	51.12
Zhucheng Taisheng Chemical Co., Ltd.*	51.12

^{*}These companies demonstrated eligibility for a separate rate in this administrative review. The rate for these companies is the simple average of the calculated antidumping duty rates for Jiheng and Kangtai.

Disclosure and Public Comment

The Department intends to disclose calculations performed for these preliminary results to parties within five days of the date of publication of this notice.⁴ The schedule for filing case briefs will be provided to parties at a later date. Rebuttal briefs, limited to issues raised in case briefs, may be filed no later than five days after the time limit for filing the case briefs, as specified by 19 CFR 351.309(d).

Interested parties that wish to request a hearing, or participate if one is requested, must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, filed electronically using IA ACCESS. An electronically filed document must be received successfully in its entirety by the Department's IA ACCESS by 5:00 p.m. Eastern Standard Time within 30 days after the date of publication of this notice.⁵ Hearing requests should contain the following information: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs. If a request for a

See 19 CFR 351.224(b). See 19 CFR 351.310(c).

hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230

The Department intends to issue the final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act unless this deadline is extended.

Deadline for Submission of Publicly Available Surrogate Value Information

In accordance with 19 CFR 351.301(c)(3)(ii), the deadline for submission of publicly available information to value factors of production under 19 CFR 351.408(c) is 20 days after the date of publication of the preliminary results. In accordance with 19 CFR 351.301(c)(1), if an interested party submits factual information less than ten days before, on, or after (if the Department has extended the deadline), the applicable deadline for submission of such factual information, an interested party may submit factual information to rebut, clarify, or correct the factual information no later than ten days after such factual information is served on the interested party. However, the Department generally will not accept in the rebuttal submission additional or alternative surrogate value information not previously on the record, if the deadline for submission of surrogate value information has passed. Furthermore, the Department generally will not accept business proprietary information in either the surrogate value submissions or the rebuttals thereto, as the regulation regarding the submission of surrogate values allows only for the submission of publicly available information.

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⁶ See, e.g., Glycine from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Final Rescission, in Part, 72 FR 58809 (October 17, 2007) and accompanying Issues and Decision Memorandum at Comment 2.

⁷ See 19 CFR 351.301(c)(3).

Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review. For assessment purposes, we calculated importer- (or customer-) specific assessment rates for merchandise subject to this review. Where appropriate, we calculated an <u>ad valorem</u> rate for each importer (or customer) by dividing the total dumping margins for reviewed sales to that party by the total entered values associated with those transactions. For duty-assessment rates calculated on this basis, we will direct CBP to assess the resulting <u>ad valorem</u> rate against the entered customs values for the subject merchandise.

Where appropriate, we calculated a per-unit rate for each importer (or customer) by dividing the total dumping margins for reviewed sales to that party by the total sales quantity associated with those transactions. For duty-assessment rates calculated on this basis, we will direct CBP to assess the resulting per-unit rate against the entered quantity of the subject merchandise. Where an importer- (or customer-) specific assessment rate is <u>de minimis</u> (<u>i.e.</u>, less than 0.50 percent), the Department will instruct CBP to assess that importer (or customer's) entries of subject merchandise without regard to antidumping duties. The Department intends to issue appropriate assessment instructions directly to CBP 15 days after publication of the final results of this review.

Also, the Department recently announced a refinement to its assessment practice in NME cases. Pursuant to this refinement in practice, for merchandise that was not reported in the U.S. sales databases submitted by an exporter individually examined during this review, but that entered under the case number of that exporter (<u>i.e.</u>, at the individually-examined exporter's cash deposit rate), the Department will instruct CBP to liquidate such entries at the NME-wide rate.

6

⁸ See 19 CFR 351.212(b)(1).

In addition, if the Department determines that an exporter under review had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (<u>i.e.</u>, at that exporter's rate) will be liquidated at the PRC-wide rate.⁹

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act: (1) for the exporter's listed above, the cash deposit rate will be the rate established in the final results of this review (except, if the rate is zero or de minimis, a zero cash deposit rate will be required for that company); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (3) for all PRC exporters of subject merchandise that have not been found to be eligible for a separate rate, the cash deposit rate will be the PRC-wide rate of 285.63 percent; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter(s) that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice. Notification to Importers

This notice also serves as a reminder to importers of their re

This notice also serves as a reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this

⁹ For a full discussion of this practice, see NME Proceedings.

¹⁰ For an explanation on the derivation of the PRC-wide rate, see Notice of Final Determination of Sales at Less Than Fair Value: Chlorinated Isocyanurates From the People's Republic of China, 70 FR 24502, 24505 (May 10, 2005).

requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213.

Paul Piquado
Assistant Secretary
for Import Administration

_ July 2, 2013_____ Date

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- 1. Scope of the Order
- 2. Non-Market Economy Country Status
- 3. Preliminary Determination of No Shipments
- 4. Separate Rates
- 5. Separate Rates for Non-Selected Companies
- 6. Surrogate Country
- 7. Date of Sale
- 8. Fair Value Comparisons
- 9. Export Price
- 10. Normal Value

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